

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7325

BILL NUMBER: SB 261

NOTE PREPARED: Feb 26, 2007

BILL AMENDED: Feb 26, 2007

SUBJECT: Condominium common areas and facilities.

FIRST AUTHOR: Sen. Heinold

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: No Fiscal Impact

Summary of Legislation: (Amended) The bill allows all or part of the common areas and facilities of a condominium to be conveyed or encumbered if at least 75% of the co-owners agree to the action. It provides that a different percentage of votes may be required to convey or encumber the common areas and facilities if the percentage is specified in: (1) the condominium declaration or condominium association bylaws; or (2) an amendment to the declaration or bylaws, if the amendment is approved by the co-owners. It also provides that proceeds from the conveyance or encumbrance of common areas and facilities must be distributed to co-owners as common profits.

The bill specifies that the different percentage of votes in the declaration or bylaws may not allow less than 75% of the co-owners to convey or encumber all or part of the common areas or facilities. It also provides that proceeds from the conveyance or encumbrance of common areas and facilities must be distributed to co-owners as common profits.

Effective Date: July 1, 2007.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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